

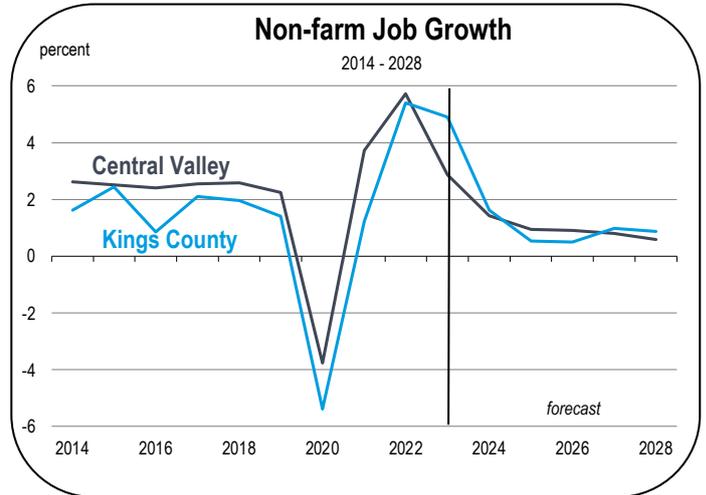
Kings County Economic Forecast

Forecast Summary

- In 2023, the public sector will add over 600 jobs. Government is the largest employment sector in Kings County, representing nearly a third of the labor market.
- Over the entire 2023-2028 forecast period, most of the new employments will come from the healthcare sector.
- The unemployment rate averaged 7.0 percent in 2022. It is forecast to average 7.8 percent in 2023.
- Population growth in Kings County is expected to accelerate over the forecast period, due principally to the county having a young population with a high birth rate.
- The median home price increased by 10.5 percent in 2022. Home values are projected to fall 4.0 percent in 2023 and appreciate at an average rate of 2.9 percent per year over the forecast period.

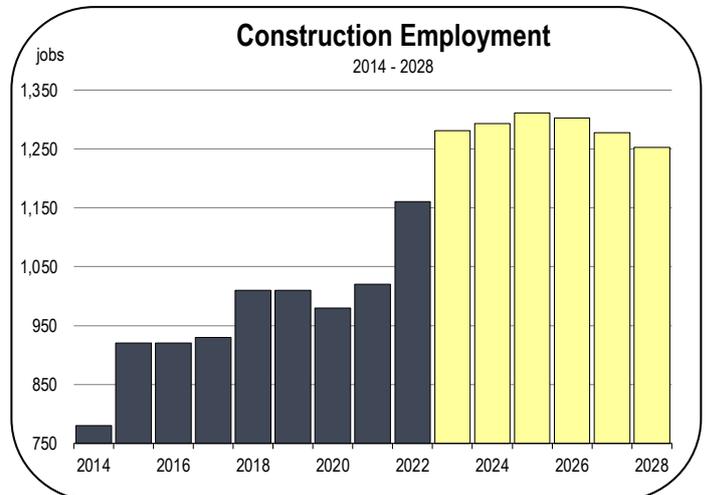
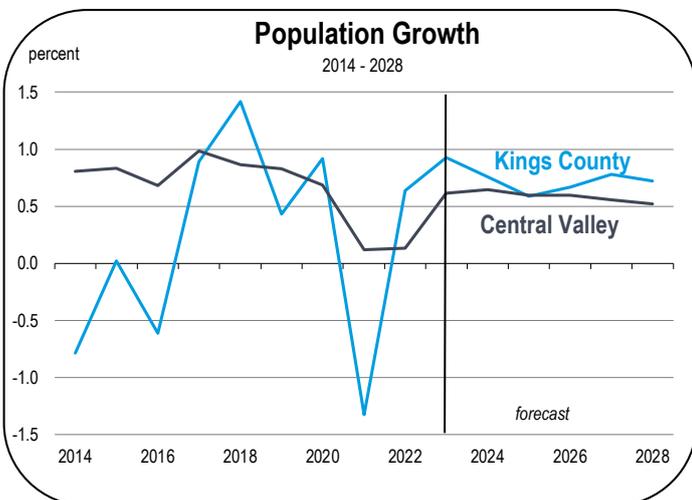
Job Growth

- Total employment in Kings County expanded by 3.2 percent in 2022 on an annual average basis and will continue to grow by 4.8 percent in 2023. The result of this growth will be over 4,500 new jobs.
- Between 2024 and 2028, job growth will average 0.9 percent per year totaling 2,250 jobs.

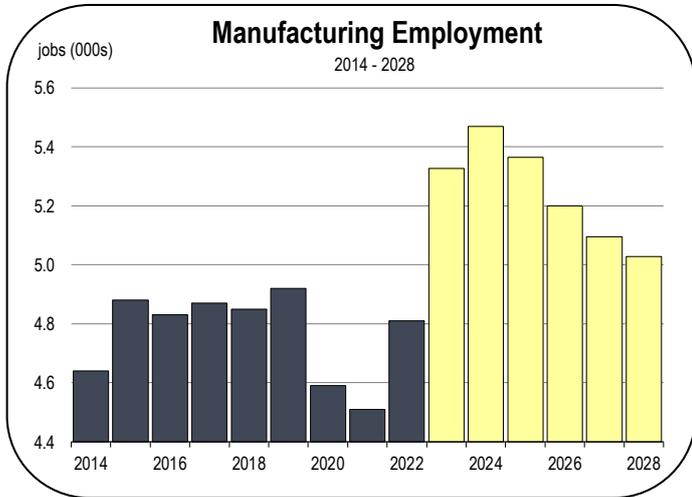


Construction Employment

- Construction employment increased 13.7 percent in 2022. Jobs will continue to grow at a rate of 10.4 percent in 2023.
- Employment in the construction trades will fall over the forecast period by an average annual rate of -0.4 percent.
- The most substantial construction project in Kings County is the California High Speed Rail. Work on the project is fully underway, expected to continue through 2028.



Kings County Economic Forecast

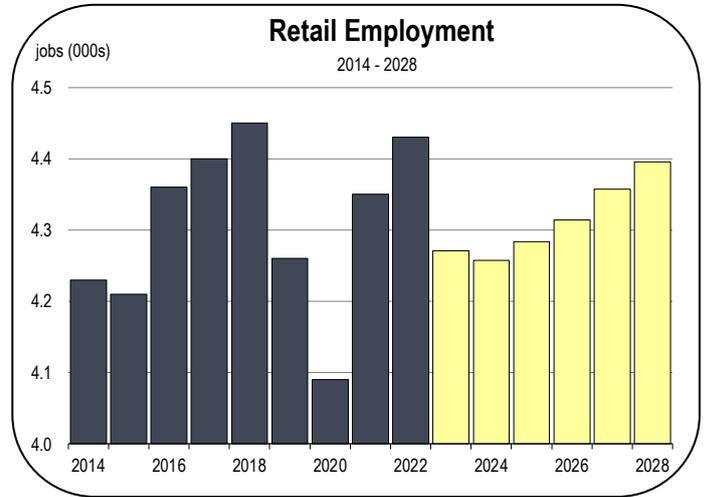
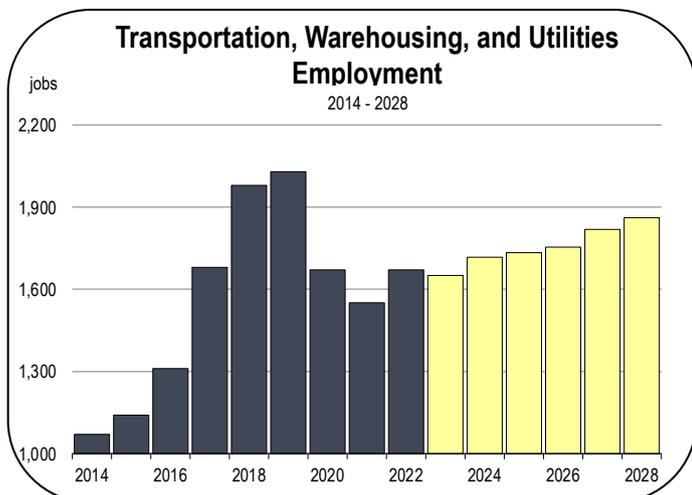


Manufacturing Employment

- Manufacturing jobs increased by 6.7 percent in 2022 on an annual average basis and will continue to grow by 10.7 percent in 2023.
- Kings County has a heavy concentration in food and beverage manufacturing firms, which turn agricultural commodities into finished food products.
- The largest employers in manufacturing:
 - J.G. Boswell Company (1,300 workers)
 - Del Monte Foods (1,100 workers)
 - Leprino Foods (1,015 workers)

Transportation, Warehousing, Utilities Employment

- Transportation in Kings County is principally trucking of products to and from businesses within the county and across California.

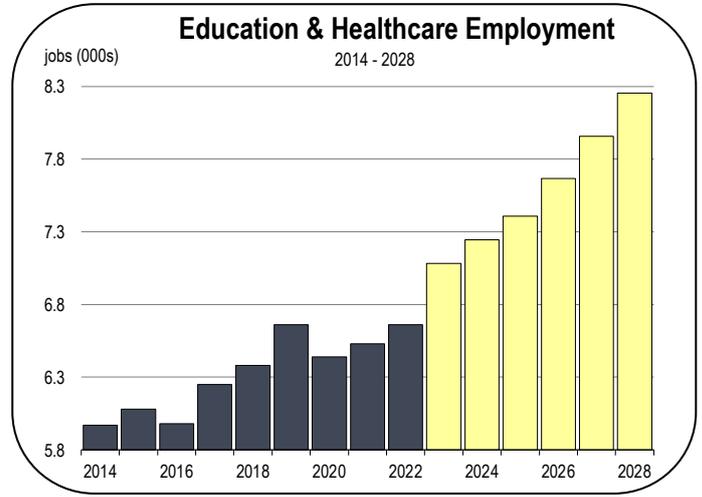
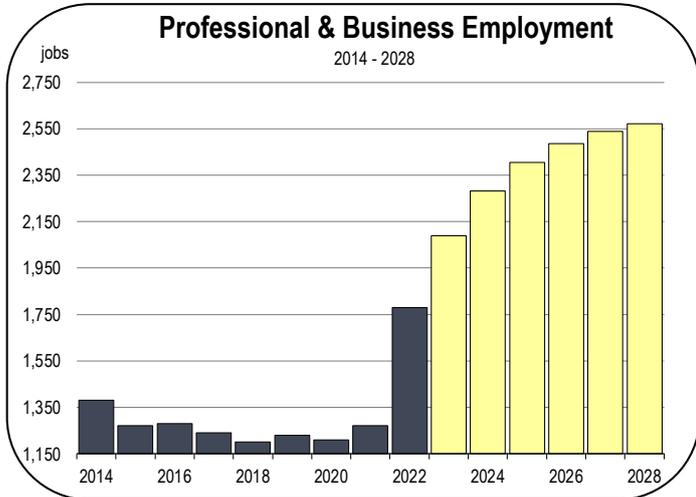


- Trucking activity is expected to expand as direct-to-consumer shipping becomes more common and as more warehousing facilities are built in neighboring counties, such as Kern and Fresno.
- The sector added approximately 120 jobs in 2022, due to strength in the warehousing sector and the opening of the Slate Solar Project.
- Some consolidation of jobs will occur in 2023. However, job growth will continue over the forecast period with the estimated creation of 200 jobs.
- The Slate Project completed in March 2022 is a solar utility project with the capacity to generate 300 megawatts of electricity and store 140 megawatts. The project is located next to Lemoore Naval Air Station and is now online. It is one of the largest photovoltaic and battery storage facilities in the U.S. It is owned by Goldman Sachs renewable Power LLC.

Retail Trade Employment

- The struggle of local brick-and-mortar stores to compete with online retailers is causing turbulence in the retail sector. While there were gains of 100 jobs in 2022, there will be a loss of 150 positions in 2023. Over the forecast period there will be a net gain of 100 retail jobs.
- Local brick-and-mortar stores will struggle to compete with online retailers that are located outside of Kings County.
- The largest local retailer is the Walmart Super Center in Hanford, which has 500 employees. It is not anticipated that any new, large stores will open between 2023 and 2028.

Kings County Economic Forecast



Professional and Business Services Employment

- In Kings County, the professional and business services industry is relatively small, principally comprised of corporate security firms, building maintenance companies, and staffing agencies. Administrative services companies have grown substantially in 2022 and 2023.
- In 2022, there were 500 jobs created in this sector representing growth of 79 percent in a single year. There will be an additional 250 jobs will be added in 2023.
- Over the forecast period, the professional and business services industry will continue to expand, growing at an average annual rate of 4.3 percent, placing it amongst the fastest growing sectors in the county.

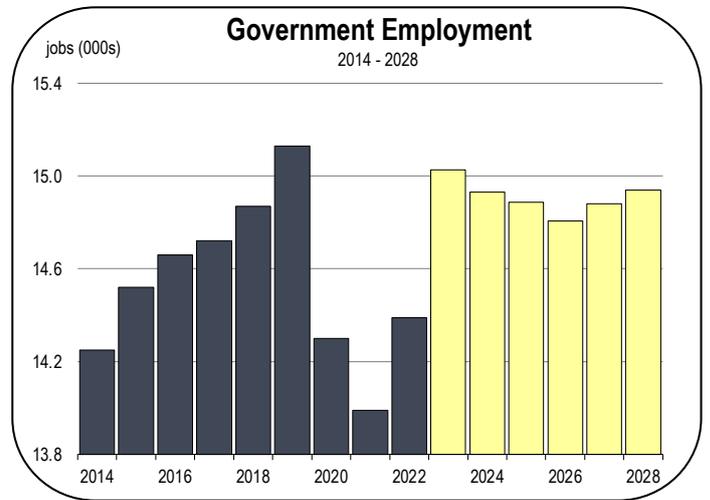
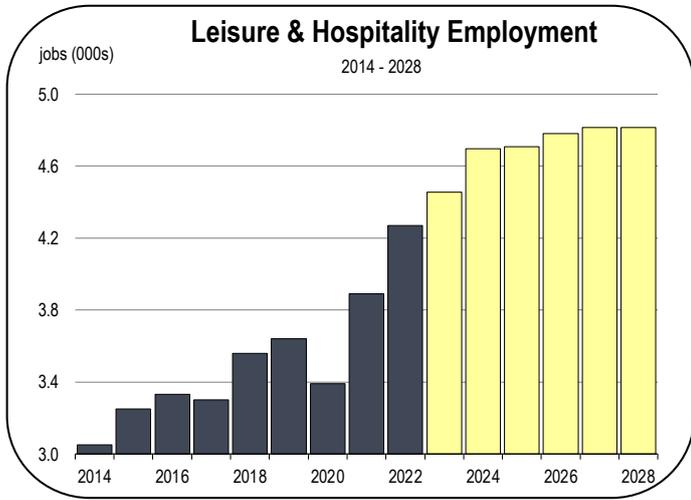
Private Education and Healthcare Employment

- In 2022 there were 150 new health care jobs created. An additional 400 new jobs will be added in 2023.
- Job creation in health care is expected to be substantial over the forecast period, averaging about 250 new positions a year, outnumbering all other private-sector industries.
- The largest health care employers in the county are:
 - Adventist Health (1,948 employees in Kings County)
 - Pioneers Memorial Healthcare District (700)
 - Naval Hospital Lemoore (500)
- In Kings County, there are only 200 jobs in the private educational services industry (vis a vis the public schools which are classified in the government industry).



Adventist Health employs 1,948 workers across multiple facilities in Kings County.

Kings County Economic Forecast



Leisure and Hospitality Employment

- A total of 400 jobs were created in 2022 and nearly 200 more will be added in 2023. An additional 250 jobs are expected in 2024, and moderate growth of employment between 2025 and 2028.
- The largest leisure and hospitality attraction is the Tachi Palace Hotel & Casino, located in Lemoore.
- Tachi Palace has a 255-room hotel, various gambling activities, and sporting events. It employs 1,340 staff members and is the 6th largest employer in the county.

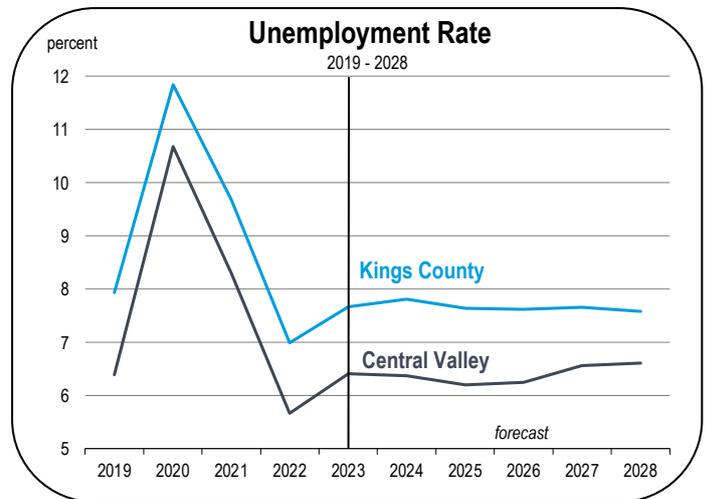
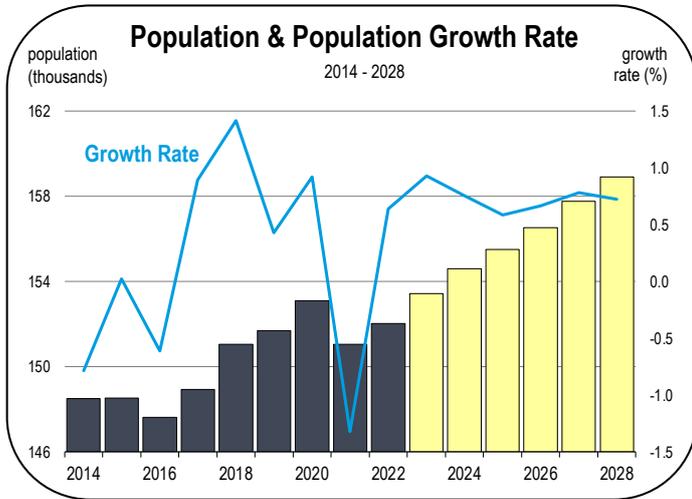


Tachi Palace & Hotel

Government Employment

- The 2022 employment averages for the public sector reported an increase of 400 workers. In 2023 there will be an additional 650 jobs created. Total federal government jobs are now at peak levels, due to recent staffing expansions at the prisons.
- Employment in the public sector is forecast to remain relatively stable over the forecast period.
- The largest state-level agencies are the K-12 schools. The 14 Kings County School Districts employ 3,928 workers.
- Avenal State Prison and California State Prison Corcoran together employ 3,250 workers as of July 2023. Avenal has an inmate capacity of 2,909. The prison population as of July 31, 2023 was 4,636, the largest number of inmates for any facility in California. Corcoran is designed for 3,424 inmates. The Corcoran prison is a substance abuse treatment facility with a current inmate population of 4,547.
- The largest federal agency is Naval Air Station Lemoore, which hosts the Navy’s entire west coast fighter/attack capability. The facility employs 1,300 civilians, 6,400 military, and has 820 reservists.

Kings County Economic Forecast

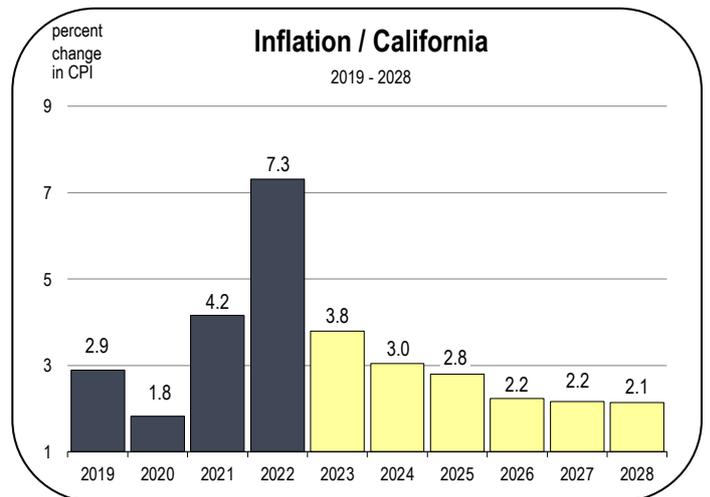
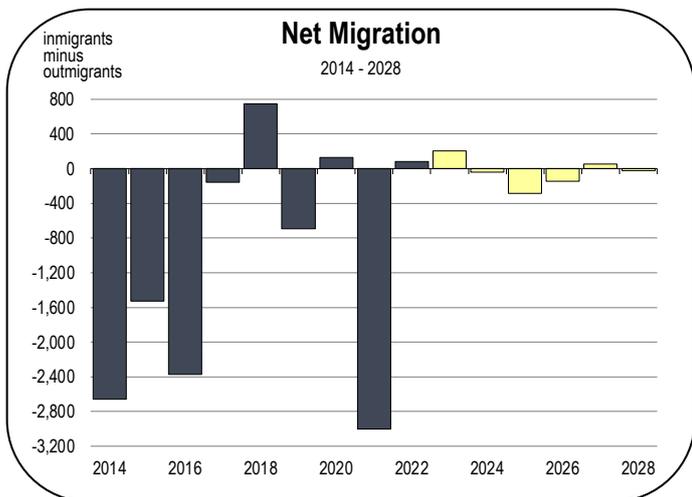


Population Growth

- The Kings County population is expected to expand more quickly than the Central Valley average between 2023 and 2028.
- Kings County has a young population with a high birth rate, and births will account for most of all population growth between 2023 and 2028. Net migration will be slightly negative during that period.
- The population will expand at an annual average rate of 0.7 percent per year. By the end of the forecast period, the Kings County population will approach 159,000 residents.

Unemployment and Inflation Rates

- The unemployment rate in Kings County averaged 7.0 percent in 2022.
- The unemployment rate is expected to average 7.7 percent in 2023 and 7.8 percent in 2024.
- Inflation soared to 7.3 percent in 2022, its highest rate in 40 years, but will decelerate in 2023 to 3.8 percent due largely to declining energy costs and the restoration of supply chains.
- Ultimately, inflation reduces the purchasing power of households and negatively impacts consumer confidence, limiting the growth potential of the economy in 2023.
- Disinflation will continue into 2024, and the inflation rate will eventually fall to below 3 percent by 2025 as the labor force is gradually restored and interest rates subside.



Kings County Economic Forecast

Home Prices and New Housing Production

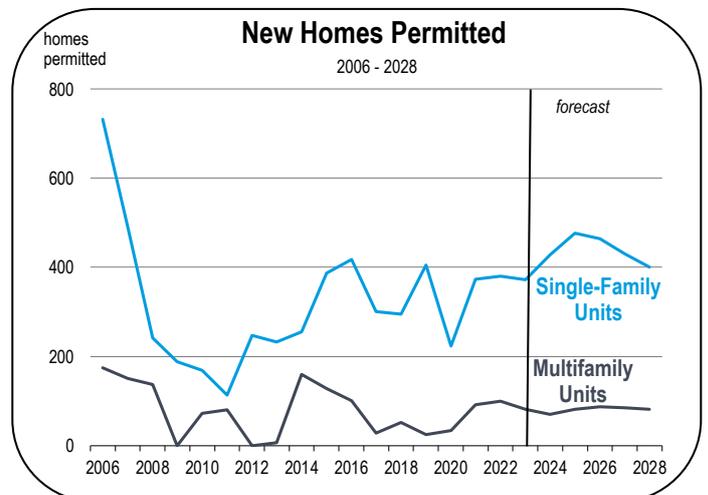
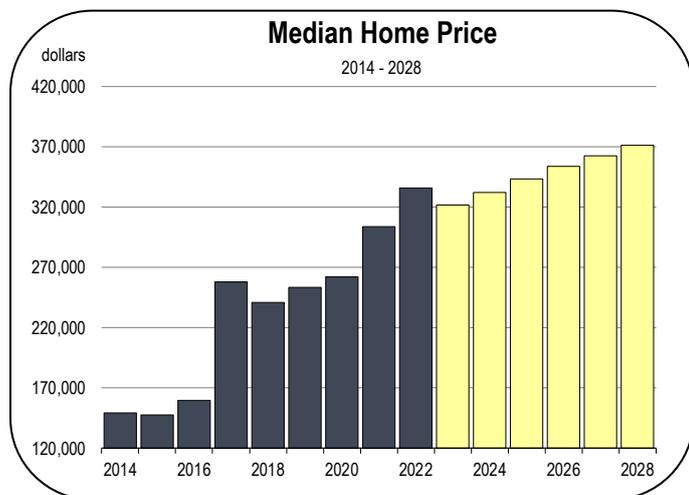
- In 2022, the median home value in Kings County was \$335,700; an increase of 10.5 percent from the previous year.
- The median price will fall 4 percent in 2023, to \$321,700. Housing values are forecast to appreciate at an average rate of 2.9 percent per year between 2024 and 2028.
- Homes in Kings County are more affordable than homes across California. In Kings County, the typical household spends less than 25 percent of its pre-tax income on mortgage payments or rent. Across Coastal California, households typically spend 35 percent to 50 percent of pre-tax income on housing costs.
- From 2017 to 2022, an average of 385 new homes were started per year in Kings County. Most were single-family homes.
- Housing production is expected to average 500 homes per year from 2023 to 2028, consisting mostly of single-family homes.

Hanford Place

This mega-mixed use project on 40 acres includes:

- a 22,525-square-foot ambulatory surgery center;
- a 12,445-square-foot specialty clinic;
- two 12,445-square-foot medical office buildings;
- a 12,445- square-foot psychiatric health facility;
- a 100,000-square-foot, a four-story 105-room hotel with a conference center and pool;
- a 35,000-square-foot nursing college;
- a 54,611-square-foot skilled nursing facility;
- a 34,480-square-foot memory care facility;
- a 34,380-square-foot assisted living facility;
- a three-story 90-unit multi-family apartment;
- 1,500 square feet of medical/commercial uses; and
- a five-acre bio infiltration basin.

The application for the project was received in July 2023. Development is requested to start in March of 2024.



Kings County Economic Forecast

Kelly Slater's Surf Ranch

- A major attraction in Kings County is the surfing park operated and owned by world renown surfer Kelly Slater. Referred to as the Surf Ranch, it is 1 of only 19 wave pools in the entire world. Located in Lemoore, the Surf ranch is a 155-acre compound.
- The Surf Ranch can create both left and right breaking waves that are over 100 yards long. Time on each wave is around 45 seconds. The waves also have an emphasis on being hollow to allow surfers to stay inside the wave.
- The wave pool runs hour-long heats in which there are 15 waves per heat. Each day sees 8 heats, so in total, there are 120 waves per day.
- Kelly Slater's Surf Ranch is a relatively expensive experience. Full day rental of 120 waves, a site tour, video, advisors, equipment, and food can run a group as much as \$85,000 in high season. For a party of 10 surfers, the daily per person rate would be \$8,500. Per wave this comes out to be around \$700.
- Taking into account high and low season costs, a conservative estimate of per year revenue for the facility is approximately \$26 million.
- Unfortunately, the Surf Ranch is a very private attraction that can only be experienced by booking, and only by invitation.



Kelly Slater's Surf Ranch

Kings County Economic Forecast

Economic Indicators

2015-2022 History, 2023-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (billions)	Total Taxable Sales (billions)	Real Industrial Production (billions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (billions)	Inflation Rate (percent)
2015	148,525	42.5	-1,525	515	110	\$4.9	\$1.0	\$1.7	\$1.0	\$42,511	10.6	\$2.6	1.4
2016	147,615	42.9	-2,374	519	113	\$5.1	\$1.1	\$1.7	\$1.0	\$43,377	10.0	\$2.5	2.3
2017	148,933	43.5	-158	329	114	\$5.3	\$1.2	\$1.7	\$1.0	\$43,409	9.0	\$2.5	3.0
2018	151,040	43.9	747	347	115	\$5.3	\$1.2	\$1.7	\$1.1	\$41,303	7.9	\$2.8	3.7
2019	151,691	44.3	-692	430	119	\$5.6	\$1.3	\$1.8	\$1.2	\$41,934	7.9	\$2.5	2.9
2020	153,085	44.1	131	257	121	\$6.3	\$1.5	\$2.1	\$1.2	\$46,148	11.8	\$2.4	1.8
2021	151,059	44.2	-3,001	465	123	\$6.6	\$1.7	\$2.5	\$1.3	\$47,081	9.7	\$2.5	4.2
2022	152,023	44.3	83	480	125	\$6.7	\$1.7	\$2.6	\$1.3	\$43,919	7.0	\$2.4	7.3
2023	153,433	44.7	204	454	127	\$7.2	\$1.7	\$2.5	\$1.3	\$45,508	7.7	\$2.5	3.8
2024	154,592	45.2	-39	498	129	\$7.7	\$1.8	\$2.6	\$1.3	\$46,295	7.8	\$2.6	3.0
2025	155,498	45.7	-284	558	131	\$8.0	\$1.9	\$2.8	\$1.3	\$46,778	7.6	\$2.7	2.8
2026	156,535	46.2	-147	552	133	\$8.3	\$2.0	\$2.9	\$1.3	\$47,133	7.6	\$2.8	2.2
2027	157,757	46.7	55	515	135	\$8.6	\$2.1	\$3.0	\$1.3	\$47,522	7.7	\$2.9	2.2
2028	158,898	47.3	-23	482	137	\$8.9	\$2.2	\$3.1	\$1.3	\$47,855	7.6	\$2.9	2.1
2029	160,124	47.7	73	470	139	\$9.3	\$2.2	\$3.3	\$1.3	\$48,340	7.6	\$3.0	2.1
2030	161,276	48.2	27	457	141	\$9.6	\$2.3	\$3.4	\$1.3	\$48,549	7.6	\$3.0	2.2
2031	162,228	48.6	-171	450	143	\$9.9	\$2.4	\$3.5	\$1.3	\$48,842	7.6	\$3.0	2.1
2032	163,043	49.1	-288	442	144	\$10.2	\$2.5	\$3.6	\$1.3	\$48,909	7.6	\$3.1	2.3
2033	163,839	49.5	-290	434	146	\$10.5	\$2.6	\$3.7	\$1.3	\$49,231	7.6	\$3.1	1.9
2034	164,706	49.9	-197	427	148	\$10.8	\$2.7	\$3.9	\$1.3	\$49,521	7.7	\$3.1	2.1
2035	165,654	50.4	-95	422	150	\$11.2	\$2.7	\$4.0	\$1.4	\$49,739	7.8	\$3.1	2.2
2036	166,599	50.8	-93	420	152	\$11.6	\$2.8	\$4.1	\$1.4	\$49,764	7.8	\$3.1	2.6
2037	167,552	51.2	-85	419	154	\$11.9	\$2.9	\$4.2	\$1.4	\$49,774	7.9	\$3.1	2.7
2038	168,512	51.6	-77	418	156	\$12.3	\$3.0	\$4.3	\$1.4	\$49,889	8.0	\$3.1	2.5
2039	169,486	52.0	-73	415	158	\$12.7	\$3.0	\$4.4	\$1.4	\$49,854	8.0	\$3.1	2.7
2040	170,471	52.4	-65	413	159	\$13.2	\$3.1	\$4.5	\$1.4	\$49,909	8.1	\$3.1	2.6
2041	171,460	52.8	-58	411	161	\$13.6	\$3.2	\$4.6	\$1.4	\$50,093	8.1	\$3.1	2.2
2042	172,364	53.2	-154	409	162	\$14.0	\$3.3	\$4.8	\$1.4	\$50,316	8.0	\$3.1	2.1
2043	173,289	53.6	-148	407	164	\$14.4	\$3.4	\$4.9	\$1.4	\$50,549	8.1	\$3.1	2.0
2044	174,333	54.0	-40	404	166	\$14.8	\$3.5	\$5.0	\$1.4	\$50,808	8.1	\$3.1	1.8
2045	175,397	54.4	-40	402	167	\$15.3	\$3.6	\$5.2	\$1.5	\$50,992	8.1	\$3.1	1.9
2046	176,477	54.8	-39	401	169	\$15.7	\$3.7	\$5.3	\$1.5	\$51,103	8.2	\$3.1	2.0
2047	177,580	55.2	-37	400	170	\$16.2	\$3.8	\$5.5	\$1.5	\$51,098	8.2	\$3.1	2.2
2048	178,700	55.6	-35	399	172	\$16.6	\$3.9	\$5.6	\$1.5	\$51,045	8.2	\$3.1	2.3
2049	179,839	56.0	-31	397	173	\$17.1	\$4.0	\$5.8	\$1.5	\$51,109	8.2	\$3.1	2.0
2050	180,983	56.4	-25	396	174	\$17.6	\$4.1	\$6.0	\$1.5	\$51,135	8.2	\$3.1	2.1

Employment Sectors

2015-2022 History, 2023-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	(thousands of jobs)											
2015	46.1	7.4	0.9	4.9	1.1	4.8	1.0	1.3	0.2	6.1	3.3	14.5
2016	46.4	7.4	0.9	4.8	1.3	5.0	0.9	1.3	0.2	6.0	3.3	14.7
2017	47.6	7.8	0.9	4.9	1.7	5.0	1.0	1.2	0.2	6.3	3.3	14.7
2018	48.2	7.6	1.0	4.9	2.0	5.0	0.9	1.2	0.2	6.4	3.6	14.9
2019	48.7	7.5	1.0	4.9	2.0	4.9	0.9	1.2	0.1	6.7	3.6	15.1
2020	46.3	7.3	1.0	4.6	1.7	4.7	0.9	1.2	0.1	6.4	3.4	14.3
2021	46.7	7.3	1.0	4.5	1.6	5.0	0.9	1.3	0.1	6.5	3.9	14.0
2022	48.9	7.4	1.2	4.8	1.7	5.0	0.9	1.8	0.1	6.7	4.3	14.4
2023	51.3	7.7	1.3	5.3	1.7	4.9	0.9	2.1	0.1	7.1	4.5	15.0
2024	52.0	7.7	1.3	5.5	1.7	4.9	0.9	2.3	0.1	7.2	4.7	14.9
2025	52.4	7.8	1.3	5.4	1.7	4.9	0.9	2.4	0.1	7.4	4.7	14.9
2026	52.7	7.9	1.3	5.2	1.8	4.9	0.9	2.5	0.1	7.7	4.8	14.8
2027	53.2	8.0	1.3	5.1	1.8	5.0	0.9	2.5	0.1	8.0	4.8	14.9
2028	53.5	7.9	1.3	5.0	1.9	5.0	1.0	2.6	0.1	8.3	4.8	14.9
2029	54.1	8.0	1.2	5.0	1.9	5.0	1.0	2.6	0.1	8.6	4.9	15.1
2030	54.6	8.0	1.2	5.0	2.0	5.1	1.0	2.6	0.1	8.9	4.9	15.2
2031	55.1	8.1	1.2	4.9	2.0	5.1	1.0	2.6	0.1	9.2	4.9	15.2
2032	55.6	8.1	1.2	4.9	2.0	5.1	1.0	2.6	0.1	9.5	4.9	15.3
2033	56.0	8.1	1.2	4.9	2.1	5.1	1.0	2.6	0.1	9.8	4.9	15.4
2034	56.4	8.1	1.2	4.9	2.1	5.1	1.0	2.6	0.1	10.1	4.9	15.5
2035	56.9	8.1	1.1	4.9	2.1	5.2	1.0	2.6	0.1	10.4	4.9	15.5
2036	57.3	8.1	1.1	4.9	2.1	5.2	1.0	2.6	0.1	10.7	4.9	15.6
2037	57.7	8.1	1.1	4.9	2.2	5.2	1.0	2.6	0.1	11.0	4.9	15.7
2038	58.1	8.1	1.1	4.9	2.2	5.2	1.0	2.6	0.1	11.3	4.9	15.8
2039	58.5	8.2	1.1	4.9	2.2	5.2	1.0	2.6	0.1	11.6	4.9	15.9
2040	59.0	8.2	1.1	4.9	2.2	5.2	1.0	2.6	0.1	11.9	4.9	15.9
2041	59.4	8.2	1.1	4.9	2.2	5.2	1.0	2.6	0.1	12.2	5.0	16.0
2042	59.8	8.2	1.1	4.9	2.3	5.2	1.0	2.6	0.1	12.5	5.0	16.1
2043	60.2	8.2	1.1	4.9	2.3	5.2	1.1	2.6	0.1	12.7	5.0	16.1
2044	60.6	8.2	1.1	4.9	2.3	5.2	1.1	2.6	0.1	13.0	5.0	16.2
2045	61.0	8.2	1.1	4.9	2.3	5.2	1.1	2.7	0.1	13.3	5.0	16.3
2046	61.4	8.2	1.1	4.9	2.3	5.2	1.1	2.7	0.1	13.6	5.0	16.4
2047	61.8	8.2	1.1	4.9	2.3	5.3	1.1	2.7	0.1	13.9	5.0	16.4
2048	62.2	8.2	1.1	4.9	2.3	5.3	1.1	2.7	0.1	14.2	5.0	16.5
2049	62.6	8.2	1.1	4.9	2.3	5.3	1.1	2.7	0.1	14.4	5.0	16.6
2050	63.0	8.2	1.1	4.9	2.4	5.3	1.1	2.7	0.1	14.7	5.0	16.7

Kings County Economic Forecast

Socioeconomic Indicators

